

**GUIDE TO CREDIT SCORING  
2000**

**This revised Guide to consumer credit scoring has been drawn up by the following organisations in the credit industry:**

**Association for Payment Clearing Services  
British Bankers Association  
Building Societies Association  
Consumer Credit Trade Association  
Council of Mortgage Lenders  
Credit Card Research Group  
Finance & Leasing Association  
Institute of Credit Management  
Mail Order Traders Association**

**Together with:**

**Consumer Credit Association (UK)  
Equifax  
Experian  
Scorex (UK) Ltd**

## **FOREWORD BY THE DIRECTOR GENERAL OF FAIR TRADING**

Since the publication of the last Guide to Credit Scoring in 1993, and my Office's report on Credit Scoring in 1992, there have been significant advances in the use of this method of credit assessment, and relevant legislative changes such as the implementation of the EC Directive on Data Protection. As a result of those changes my Office decided to take a fresh look at the issues involved, in consultation with the credit industry and the Office of the Data Protection Registrar. That led to a number of proposals for amendments to the industry Guide, to bring it into line with the new regulatory environment and to improve the provision of information to consumers.

I am pleased that the credit industry has responded so positively to those proposals. The scope of the Guide has been broadened so that it applies not only to decisions about initial applications for credit but also subsequent requests for amendments to existing facilities. Lenders will inform applicants that scoring may be used in an assessment of their application, and will explain how credit scoring works and indicate some of the characteristics common to the scoring process. If requested they will also provide details of the logic involved in the automated decision taking. Where an application is declined, the lender will provide a clear explanation of the principal reasons for the decline, including whether this was based on credit reference agency information. The applicant will be informed that they have a right of appeal which will be considered manually, and will be given the opportunity to provide additional information in support of their application. If the applicant's credit reference agency file contains a notice of correction, there will be systems in place to ensure that the application is reviewed manually.

Credit scoring plays a useful role in the responsible granting of credit, and as such is of benefit to both lenders and borrowers. However, consumers need to understand the basis of credit scoring and the procedures involved, and what steps they can take if they are refused credit. The revisions to the Guide will help provide a greater openness and transparency in this regard. I am glad that the Guide continues to command the support of all the major developers and users of credit scoring systems, and I am confident that it will continue to have a beneficial effect on decision making and lenders' relations with their customers. I commend the Guide to all those who use scoring as part of their assessment process.

John S Bridgeman  
Director General of Fair Trading

## **CONTENTS**

### **INTRODUCTION**

### **THE GUIDE**

#### **SECTION 1: SCOPE OF THE GUIDE**

#### **SECTION 2: PRINCIPLES OF DESIGN**

- i. Purpose*
- ii. Scope*
- iii. Sampling and Development*
- iv. Validation*

#### **SECTION 3: PRINCIPLES OF IMPLEMENTATION**

**SECTION 4: PRINCIPLES OF OPERATION**

**SECTION 5: PRINCIPLES OF DECISION-MAKING**

- i. General*
- ii. Automated Decision-Making*
- iii. Non Automated Decision-Making*

**SECTION 6: COMMUNICATION WITH APPLICANTS**

- i. General*
- ii. Declined Applications*

**SECTION 7: APPEALS AND REVIEW PROCEDURES**

- i. General*
- ii. Automated Decision-Making*

**SECTION 8: REPEAT APPLICATIONS**

**SECTION 9: NOTICE OF CORRECTION**

**SECTION 10: COMPLAINTS**

**APPENDIX 1: DEFINITIONS**

**APPENDIX 2: EXPLANATION OF SCORING - SAMPLE TEXT**

## INTRODUCTION

This Guide is for developers and users of scoring systems that are used in making decisions about consumer credit. It updates the second edition, drawn up in 1993.

The Office of Fair Trading supports the principles of scoring and recognises its important contribution to responsible credit granting.

Credit scoring measures the statistical probability that credit will be satisfactorily repaid. It is based on the fact that it is possible, using statistical techniques, to predict the future performance of applicants with similar characteristics to previous applications (either of the credit grantor itself or groups of credit grantors).

Scoring calculates the level of risk and reduces the element of subjectivity in lending decisions. It enables credit grantors to manage their business more effectively. This benefits the majority of customers who wish to borrow only what they can afford to repay.

Credit scoring is one of the most consistent, accurate and fair forms of credit assessment available. However, for practical and economic reasons, it is not possible for all credit grantors to adopt credit scoring systems. Equally, credit scoring is not the only technique. This Guide applies both where credit scoring is the sole method of credit assessment and where it is combined with other methods.

Since the Guide was last updated, techniques have been continually developed and improved and new legislation, such as the Data Protection Act 1998, has been enacted. The relevant principles in the Act have been taken into account in this Guide. In particular, automated decision making, and its relationship with scoring, is included.

In drawing up the new Guide, the industry has recognised the Office of Fair Trading's concern that consumers should be given reasons for refusal of credit. It is important that reasons are meaningful and useful to consumers; but at the same time, there are also real dangers to lenders and their customers if credit scoring systems are opened up to manipulation and fraud through excessive disclosure.

This Guide is of value to all involved with the provision of consumer credit and is commended to both developers and users of scoring systems. We believe that it will also be of interest to consumers and to those concerned to protect the interests of consumers. We also believe that the standards and best practice set out in this Guide will also apply to business credit grantors using and developing scorecards.

The credit industry is made up of a wide variety of sectors; it is therefore not practicable for the operation of the principles described in the guide to apply in the same way in all circumstances. The organisations which have drawn up the Guide have agreed that their members who use credit scoring will be expected to observe its principles where they apply to their business(es).

Credit is not a right. The purpose of this Guide is to ensure that everyone can be confident that credit granting decisions based on credit scoring are made fairly.

## THE GUIDE

the Data Protection Act, particular attention should be paid to the following

### SECTION 1: SCOPE OF THE GUIDE

- 1.1 This is a Guide to Scoring of consumer credit applications, although the principles apply equally to business scoring.
- 1.2 Within the context of this Guide, applications shall mean initial applications for credit, and subsequent requests for amendments to existing facilities.
- 1.3 Scoring is a process used by credit grantors to evaluate risk. It embraces the principles of credit, behavioural and collection scoring.
- 1.4 The Guide covers the design, implementation and operation of scorecards as they relate to decisions made following a request from an applicant (hereinafter referred to as “the applicant”) for either a new facility or an amendment to an existing facility (both situations hereinafter referred to as “the application(s)”).
- 1.5 Definitions of technical terms used in the Guide are in Appendix 1.

### SECTION 2: PRINCIPLES OF DESIGN

- 2.1 Generally, credit grantors will develop scorecards from their own data and experience. However, as it is not always practicable to obtain sufficient or suitable data, data shared by/with other credit grantors may be used. The shared data may be in addition to, or in substitution for, a credit grantor’s own experience.
- 2.2 Shared data are generally provided by a credit reference agency. Where credit reference agency data are used, the development of scorecards will comply with the Principles of Reciprocity.
- 2.3 Scorecard developments will comply with the Data Protection Act 1998.
- 2.4 Credit Scoring will not discriminate on the grounds of sex, race, religion, disability or colour. All scoring systems will be designed and used in a way that conforms to all relevant legislation. In addition to

Acts of Parliament, or regulations made under these Acts by any bodies or Commissions given statutory power by these Acts:

- The Consumer Credit Act;
- The Sex Discrimination Act;
- The Race Relations Act;
- The Fair Trading Act;
- The Employment Protection Act; and
- The Disability Discrimination Act.

2.5 All scorecards (regardless of the data used and regardless of their application) will meet the following design principles:

#### *i. Purpose*

An application is evaluated to assess acceptability to an individual credit grantor by allocating points to attributes relevant to that application.

#### *ii. Scope*

A scorecard predicts the likelihood that an applicant will meet their obligations, or determines lending criteria such as the amount of credit.

#### *iii. Sampling and development*

Appropriate sampling principles are to be used to reflect properly the credit grantor’s total relevant experience and/or any shared data used. Credit grantors will ensure that the data used in the development sample are consistent with the anticipated applicant population. Sample groupings of previously ‘good’ and ‘bad’ accounts will be derived from a comparison of the account performance of these groupings. Samples will also include an analysis of declined applications when it is appropriate to do so. Fraudulent accounts will be excluded.

#### *iv. Validation*

The resulting scorecard should be validated against an appropriate number of accounts which were withheld from the development sample (the ‘hold-out’ sample). The results produced will ensure consistency between the development data and the ‘hold-out’

sample. The impact of the scorecard on a recent sample of applications should be validated in order to determine likely acceptance rates and default levels.

### **SECTION 3: PRINCIPLES OF IMPLEMENTATION**

Credit grantors will ensure that:

- 3.1 The scorecard system is tested to ensure that scores are calculated, and that cut-offs are applied, accurately.
- 3.2 Data are captured and coded correctly.
- 3.3 Any reasons for overrides of the scorecard system by underwriters are clearly defined, and the levels and performance of overrides are monitored regularly.
- 3.4 Other departments are informed of the introduction of a new scorecard and how it will affect their responsibilities (for example: marketing, customer services, collections).
- 3.5 Access to all scorecards is strictly controlled to retain their integrity.
- 3.6 Operating procedures, the wording of written communications on declined applications and appeal processes are agreed prior to implementation, and kept under review.
- 3.7 Relevant staff receive adequate training and, in particular, that customer-facing staff are equipped to deal professionally and competently with queries.

### **SECTION 4: PRINCIPLES OF OPERATION**

Credit grantors will ensure that:

- 4.1 Training and operating procedures are fully and properly documented, and regularly reviewed.
- 4.2 All staff using scoring techniques are appropriately trained in their use.
- 4.3 Care is exercised to ensure that information is correctly entered. Periodic monitoring of the input process will be carried out.

4.4 Control mechanisms appropriate to the assessment method are used to ensure that the system is:

- Operating efficiently and accurately;
- Achieving its objectives; and
- Complies with the Principles outlined in this Guide.

4.5 Scorecards are monitored to ensure they are still appropriate to the population. This will allow the periodic revalidation of their effect upon applicant groups. Such monitoring will include, but is not limited to measurement of:

- Score stability
- Demographic population stability
- Override performance
- Effectiveness in rank ordering
- Predictiveness compared with development expectations

4.6 Appropriate statistical techniques are deployed to adjust or redevelop the scorecard as necessary. Changes in the profile of the population (for example: through changes in market place or marketing strategy), will usually result in a change in the demographics of the applicant population and score distribution. As time progresses, additional information may also become available which could enable the scorecard to be improved. Commercial considerations will dictate the point at which such differences make it necessary to improve or redevelop a scorecard.

### **SECTION 5: PRINCIPLES OF DECISION-MAKING**

#### *i. General*

5.1 Credit grantors may take factors other than the score into account when making a decision and are not obliged to rely solely on the score. These factors may include:

- Verification of identity
- Validation of application details
- Applicant's income and existing commitments
- Credit reference agency information
- The credit grantor's own prior experiences relevant to that application/applicant

- Any security offered
- 5.2 In addition, credit grantors may have their own policy rules that will be based on the individual credit grantor's specific commercial requirements.
- 5.3 Credit grantors will not refuse credit solely on the grounds of place or area of residence. The area of residence may be included in a credit scorecard when it is properly weighted. However, credit grantors do have the right to refuse credit in areas where they are not represented, or if they have reasonable grounds to believe that servicing that account would place the safety of their property, agents and/or employees at risk.
- 5.4 Cut-off scores may be established or changed by credit grantors, at their discretion, on the basis of overall financial considerations. Such changes will apply to the whole or a subset of the account base/through the door' population and will not be used to discriminate against individual applicants.
- 5.5 Where applications are not granted, appropriate review and appeals procedures must be in place.
- 5.6 Credit grantors may grant credit on terms different from those originally proposed.

**ii. Automated Decision-Making**

- 5.7 The Data Protection Act 1998 allows decision taking to be made solely by automatic means where:
- Credit grantors are considering whether to enter into a contract OR with a view to entering into such a contract OR in the course of performing such a contract AND
  - The application is granted OR steps have been taken to safeguard the legitimate interests of the individual (for example: by allowing the applicant to appeal).
- 5.8 Generally, credit grantors will use scorecards as part of an automated decision taking process.
- 5.9 Where an automated system has been used and an application is 'referred', a manual underwriting process may be

introduced. Further information may be sought from the applicant and/or a third party.

**iii. Non Automated Decision-Making**

- 5.10 Where a manual system has been used and the application is referred, the application may be passed to another lending officer. Further information may be sought from the applicant and/or a third party.
- 5.11 Where decisions in response to an application are not made using an automated process, and an application is declined, the same best practice as applies in automated decision taking will apply. Credit grantors will inform applicants of their right to appeal and how they may do so. Credit grantors will advise the applicant what relevant additional information should be provided in support of such appeal.
- 5.12 Credit grantors will not act unreasonably in requesting additional information.
- 5.13 Credit grantors will reconsider the application if it is supported by relevant additional, verifiable information. A different lending officer from the one originally handling the application will, if appropriate, conduct such a review.

**SECTION 6: COMMUNICATION WITH APPLICANTS**

**i. General**

- 6.1 Credit grantors will tell applicants that scoring may be used in an assessment of their application.
- 6.2 Where an applicant requests further information on scoring, credit grantors will provide an explanation of the type of scoring used and the circumstances where scoring is part of the decision making process. The use of standard literature is encouraged and a sample text is given in Appendix 2.

**ii. Declined Applications**

- 6.3 Credit grantors will, where appropriate, put declined decisions in writing to applicants. In determining whether to do this, credit

grantors will have due regard for the nature, size and source (including communication method, e.g. telephone e-mail) of applications and the requirements of the applicant. Where the applicant requests a written explanation, credit grantors will provide this in line with these guidelines.

6.4 When credit grantors tell applicants, whether orally or in writing, that their application has been declined, they will provide a clear explanation of the principal reason why the applicant has not met the lending criteria. For example:

- A decline based on score. (See Appendix 2 for sample text on the type and level of explanation to be given).
- A decline specifically based on adverse credit reference agency credit performance data.
- A decline based on other specific policies such as:
  - over-commitment
  - home ownership (for a secured loan)
  - age
  - not employed
  - existing account performance
  - the fact that the credit grantor is not represented in the applicant's area.This list is not exhaustive.

6.5 Where a credit reference agency score is used, it should be made clear how the score is used in the decision making process, and that the policies for applying the score rest with the credit grantor not the supplier of the score. Credit grantors must ensure that applicants are not simply passed on to a credit reference agency, as that agency is not responsible for the credit grantor's lending criteria.

## **SECTION 7: APPEALS AND REVIEW PROCEDURES**

### ***i. General***

7.1 Credit grantors will establish, within their own organisation, designated officers to whom appeals should be sent. They will have the authority to override the original decision, and their business address will be given to applicants who wish to lodge such an appeal.

7.2 Appeals and review procedures must be fully documented and available to all relevant staff.

7.3 Credit grantors will regularly review their appeals procedures.

7.4 On receipt of an appeal from an unsuccessful applicant, credit grantors will comply with the principles outlined in section 6 in their response.

7.5 At all times credit grantors will act professionally and have due regard for the applicant's circumstances.

7.6 Explanations given to applicants will be clear and not overly technical so as not to confuse deliberately.

### ***ii. Automated Decision-Making***

7.7 Credit grantors will inform all applicants of their right to appeal automated decisions, and the process that they should follow.

7.8 Upon appeal, credit grantors will:

- Conduct a realistic review of the automated decision, taking into account all available information
- Provide an understandable explanation of scoring.

7.9 Credit grantors will include within their explanation examples of the type of attributes that may be used in scorecards. Such examples may be by categories of attributes, for example, stability factors, ability to pay.

7.10 Credit grantors are not expected to give details of actual attributes or weightings, as it is recognised that this could jeopardise the integrity and/or security of the scorecards, as well as increasing the risk of fraud.

7.11 Credit grantors will provide details of the logic involved in the automated decision taking, if requested by an applicant.

7.12 Credit grantors will give the applicant the opportunity to provide additional relevant information and will consider this additional information when reviewing the application.

7.13 The credit grantor, having reviewed the application with the benefit of any additional information, will inform the applicant of the decision.

satisfactorily through the internal complaints procedures.

7.14 If the appeal is declined then the principles outlined in section 6 will apply.

7.15 Credit grantors may offer terms/facilities that differ from those originally proposed.

## **SECTION 8: REPEAT APPLICATIONS**

8.1 Any repeat application for credit will be treated as a new application, and assessed accordingly. An applicant for credit will not be declined or accepted, solely on the grounds of having made a previously declined or accepted application to that credit grantor.

8.2 Exceptions to this will be:

- Where it is apparent that the re-application has been completed dishonestly
- Where multiple applications are received with identical information during a period when there has been no change to the credit scoring system or the cut-off point.

## **SECTION 9: NOTICE OF CORRECTION AND/OR DISPUTE**

9. Where a credit grantor is aware that a Notice of Correction and/or Dispute has been filed with a credit reference agency by or in relation to an applicant, any declined application must be manually reviewed.

## **SECTION 10: COMPLAINTS**

10.1 Credit grantors will establish a complaints procedure within their organisations, and supply information about the procedures to applicants who wish to make a complaint.

10.2 When a credit grantor is a member of an organisation that offers an independent complaints procedure, relevant to the administration of credit scoring, applicants will be told of this if their complaint cannot be resolved

## APPENDIX 1: DEFINITIONS

The following expressions, used in the Guide, have the following definitions.

### **Attributes**

Attributes are items of specific information, which are used in the development and operation of a scorecard and relate to an applicant or application. When an attribute is a strong predictor of the outcome being evaluated, it may be included in the scorecard.

### **Automated Decision-Making**

Any system whereby the decision to grant credit or change facilities is made without manual intervention.

### **Bad Account**

A 'bad' account is one where the performance is such that the credit grantor would decline that application in future (for example: a specified level of arrears within a given time frame). Different organisations will adopt different definitions of 'bad' depending on their business and depending on the objective of the scorecard.

### **Behavioural Scoring**

Behavioural scoring, sometimes known as performance scoring, is a scoring technique that uses customer account behaviour to predict the future performance of that applicant's account(s).

### **Credit Grantor**

An organisation which offers credit or credit facilities.

### **Credit Reference Agency**

A credit reference agency is a commercial body that holds records on addresses and individuals. Credit reference agencies hold information on the Electoral Roll, County Court Judgments, bankruptcies and insolvencies, payment performance on existing and closed credit agreements with credit grantors, previous searches made on applicants for credit, and other information which enables a credit grantor to check the credit history and residential stability of applicants.

### **Credit Score**

The sum of the points calculated within the credit scorecard gives the credit score.

### **Credit Scorecard**

A credit scorecard consists of a set of attributes and the points (or weightings) assigned to them.

### **Credit Scoring**

Credit scoring is the use of numerical formulae to assign points to items of specific information ('attributes') to predict an outcome.

### **Cut-Off Points**

Each credit grantor determines a threshold score which is commonly known as the cut-off point. Applications scoring at or above this score are generally accepted or passed to the next stage of the decision making process. Applications scoring below this cut off have a higher probability of being 'bad' as defined in the scorecard development.

### **Declined Applicant**

An individual who made an application and whose request was not met.

### **Default Levels**

Number, value or percentage(s) of accounts that meet the scorecard development definition of 'bad'. This definition will vary from scorecard to scorecard.

### **Demographic Information**

Demographic information is information provided by the applicant at the time of application about himself or herself.

### **Demographic Population Stability**

A measure of the deviation of the 'through the door' population from the development population, by demographic attribute.

### **Development Sample**

A development sample is a sample extracted from the total available population. This sample is used to develop the scorecard. See also 'Sample/Sampling' and 'Hold-Out Sample'.

### **Good Account**

A 'good' account is one where the performance is such that the credit grantor would choose to accept that application again, all other circumstances remaining the same. 'Good' will have been defined in the scorecard development. Different organisations will have different definitions of 'good' depending on their business and the objective of the scorecard.

### **Hold-Out Sample**

After selecting the sample for development of the scorecard, a proportion of this sample is not utilised in the development. This proportion is known as the 'hold-out' sample, or validation sample, and is used to validate the results from the development sample.

### **Monitoring**

Monitoring refers to the ongoing review and evaluation of the scorecards that have already been implemented. Its purpose is to ensure that the scorecard continues to be appropriate for the population and purpose being used and to flag the need for changes in scoring of systems if this no longer the case.

### **Non Automated Decision Making**

Any decision covered by the scope of this guide that is not an automated decision.

### **Overrides**

A scoring system will recommend that an application for credit is accepted or rejected. Where a decision is made which contradicts this recommendation, it is an override. For instance, this may occur when a referral or an appeal has led to manual assessment of additional information. A 'high side' override

is one where the system recommends acceptance but the application is declined. A 'low side' override is where the system recommends decline but the application is accepted.

A scoring system may also recommend terms (such as amount of facility) and any changes to this recommendation are also overrides.

### **Principles of Reciprocity**

The Principles of Reciprocity are a set of rules which regulate the sharing of credit performance data by credit grantors. The rules allow credit grantors to supply data to credit reference agencies and to obtain information from credit reference agencies for the purposes of responsible lending.

A copy of the Principles can be obtained from your trade association, or from SCOR (the Standing Committee on Reciprocity) at 2 Ridgmount Street, London WC1E 7AA (telephone 0207 436 9937).

### **Referrals**

An applicant is 'referred' when a final decision to accept or reject the application cannot be made by the scorecard alone within the credit scoring system. Further information is required to make the decision. This information may be obtained by a lending officer through a manual review of the application, and/or from any existing or previous account performance relating to the application, either from the applicant or from a third party such as a credit reference agency.

### **Risk Scoring - See Credit Scoring**

### **Sample/Sampling**

A sample is an extract of the total available records and must be representative of the applicant population.

### **Score Stability**

A measure of the deviation of the 'through the door' population from the development population, by scoreband distribution.

### **Scoring Systems**

A scoring system is a system to process applications for credit or requests for amendments to existing facilities. As part of

the decision making, the scoring system will reference a scorecard to assess the likely outcome of an individual application. This assessment will then be used, alone or with other factors, to determine whether the application is accepted, declined or accepted under revised terms.

### **‘Through The Door’ Population**

The applications on which the scorecard is implemented.

### **Validation**

Validation refers to the evaluation of scorecards before they are implemented. Validation may occur throughout the development of a scorecard. Its purpose is to check that the scorecard will meet its objectives.

### **Validation Sample – See Hold-Out Sample**

## **APPENDIX 2: EXPLANATION OF SCORING – SAMPLE TEXT**

### **ASSESSING APPLICATIONS FOR CREDIT**

As responsible lenders, we take into account your personal circumstances to establish the appropriate level of credit to grant to you. To help us to do this, applications may be assessed using a process called credit scoring.

### **HOW DOES CREDIT SCORING WORK?**

Credit scoring takes into account information provided directly by you, any information we may hold about you, and any information we may obtain from other organisations. Where we use information from other organisations, we will tell you who they are. We may also use information obtained from credit reference agencies.

The credit scoring system allocates points for each piece of relevant information and adds these up to produce a score. When your score reaches a certain level then we will generally agree to your application. If your score does not reach this level, we may not. Sometimes scores are calculated by credit reference agencies and we may use these in our assessment.

The points allocated are based on thorough analysis of large numbers of repayment histories over many years of providing credit. This statistical analysis enables us to identify characteristics that predict a likelihood of future performance. For example, if individuals falling within a particular age group have proved to be more likely to meet payments than those falling within another age group, the points allocated will reflect this.

Credit scoring produces consistent decisions and is designed to ensure all applicants are treated fairly.

Additionally, we may have policy rules to determine whether we will lend. These reflect our commercial experience and requirements.

Every credit or loan application involves a certain level of repayment risk for the lender, no matter how reliable or responsible an applicant is. Credit scoring enables us to calculate the level of risk for each applicant based on the information we have obtained. If

the level of acceptable risk to us is exceeded, we will not accept the application.

This does not mean that any declined applicant is a bad payer. It simply means that based on the information available to us, we are not prepared to take the risk of granting that loan.

Lenders are not obliged to accept an application.

Lenders have different lending policies and scoring systems, and so applications to them may be assessed differently. This means that one lender may accept your application but another may not.

If your application is declined, this will not be disclosed to the credit reference agency.

### **IS CREDIT SCORING FAIR?**

We believe that credit scoring is fair and impartial. It does not single out a specific piece of information as the reason for declining an application. We test our credit scoring methods regularly to make sure they continue to be fair and unbiased.

Responsible lending is essential for the good of both applicants and lenders. The Office of Fair Trading regulates credit and considers credit scoring to be an aid to responsible lending.

### **WHAT HAPPENS IF YOUR APPLICATION IS DECLINED?**

If we are unable to accept your application, we will tell you. We will also tell you the principle reason why we were unable to agree your request. If you did not pass our credit score we will tell you. We will also give you an indication of the type of information that was included in the scorecard. Generally, this information will be grouped into categories such as your ability to repay, your credit history, and stability factors such as how long you have lived at your address.

If we have declined your application you may contact us and ask us to reconsider our

decision. We will generally ask you to provide us with additional information. We will tell you what information you will need to give us.

If you wish to ask us to reconsider our decision then please contact us at:

**Company Name and Address**

**WHAT TYPES OF INFORMATION DOES A CREDIT REFERENCE AGENCY HOLD?**

Credit reference agencies hold different types of information, and some will apply to your application. For instance, they hold details of who is on the electoral roll, court judgements, credit account performances, and about the number of credit inquiries, and bankruptcies.

Applicants with county court judgements may find credit difficult to obtain.

A copy of information held at a credit reference agency about you is available to you by writing to the following address enclosing a £2.00 fee. We will tell you the credit reference agency/agencies used.

**Experian**  
**Consumer Help Service, PO Box 8000,**  
**Nottingham, NG1 5GX,UK.**

**Equifax**  
**Dept 1E, PO Box 3001, Glasgow, G81 2DT**